

HOUSE BILL No. 1069

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-9-4; IC 10-17-1-6; IC 10-17-12.

Synopsis: Military family relief. Establishes the military family relief trust fund to provide grants to the families of Indiana residents who: (1) are members of the Indiana National Guard or the armed forces reserves; and (2) have been called to active duty after September 11, 2001. Allows the veterans' affairs commission to establish the eligibility criteria and application and selection procedures for the grants. Funds the military family relief trust fund by taxpayer designation on a state income tax return of: (1) a contribution; or (2) all or part of the taxpayer's state income tax refund. Makes an appropriation.

Effective: January 1, 2007.

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January 4, 2006, read first time and referred to Committee on Public Policy and Veterans Affairs.

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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1069

A BILL FOR AN ACT to amend the Indiana Code concerning taxation and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-8.1-9-4 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 4. (a) Every
3 individual (other than a nonresident) who files an individual income
4 tax return and who is entitled to a refund from the ~~Indiana~~ department
5 of **state** revenue because of the overpayment of income tax for a
6 taxable year may designate on ~~his~~ **the individual's** annual state income
7 tax return that either a specific amount or all of the refund to which ~~he~~
8 **the individual** is entitled shall be paid over to **one (1) or more of the**
9 **nongame fund**. ~~In the event that the individual designates that a certain~~
10 **amount shall be paid over to the nongame fund and funds described**
11 **in subsection (d). If** the refund to which ~~he~~ **the individual** is entitled
12 is less than the **total** amount designated ~~such designation shall mean~~
13 **that to be paid over to one (1) or more of the funds described in**
14 **subsection (d), all of the refund to which he is entitled shall be paid**
15 over to the ~~nongame fund~~ **designated funds, but in an amount or**
16 **amounts reduced proportionately for each designated fund. If an**
17 **individual designates all of the refund to which the individual is**

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entitled to be paid over to one (1) or more of the funds described in subsection (d) without designating specific amounts, the refund shall be paid over to each fund described in subsection (d) in an amount equal to the refund divided by the number of funds described in subsection (d), rounded to the lowest cent, with any part of the refund remaining due to the effects of rounding to be deposited in the nongame fund.

(b) Every husband and wife (other than nonresidents) who file a joint income tax return and who are entitled to a refund from the Indiana department of state revenue because of the overpayment of income tax for a taxable year may designate on their annual state income tax return that either a specific amount or all of the refund to which they are entitled shall be paid over to one (1) or more of the nongame fund. In the event that the husband and wife designate that a certain amount shall be paid over to the nongame fund and funds described in subsection (d). If the refund to which they a husband and wife are entitled is less than the total amount designated such designation shall mean that to be paid over to one (1) or more of the funds described in subsection (d), all of the refund to which they are entitled shall be paid over to the nongame fund and designated funds, but in an amount or amounts reduced proportionately for each designated fund. If a husband and wife designate all of the refund to which the husband and wife are entitled to be paid over to one (1) or more of the funds described in subsection (d), without designating specific amounts, the refund shall be paid over to each fund described in subsection (d) in an amount equal to the refund divided by the number of funds described in subsection (d), rounded to the lowest cent, with any part of the refund remaining due to the effects of rounding to be deposited in the nongame fund.

(c) In addition to a designation under subsection (a) or (b), a taxpayer who:

(1) is a resident of Indiana; and

(2) files an individual or a joint income tax return;

may designate on the taxpayer's annual state income tax return that the taxpayer desires to contribute to one (1) or more of the funds described in subsection (d) by stating the amount of the contribution. The amount of a contribution under this subsection may not be less than one dollar (\$1).

(d) Designations under subsection (a), (b), or (c) may be directed only to the following funds:

(1) The nongame fund.

(2) The military family relief trust fund.

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(e) The instructions for the preparation of individual income tax returns shall contain a description of the purposes of **the following:**

(1) The nongame and endangered species program. **which is The description of this program shall be** written in cooperation with the department of natural resources.

(2) **Grants for the relief of military families disbursed from the military family relief trust fund. The description of the purposes of these grants shall be written in cooperation with the Indiana department of veterans' affairs.**

(f) **Individual income tax returns must include a statement that:**

(1) **a contribution under subsection (c) does not reduce the taxpayer's tax;**

(2) **a contribution under subsection (c) will:**

(A) **decrease or eliminate the refund owed to the taxpayer, if any;**

(B) **increase the amount that must accompany the return; or**

(C) **result in both of the consequences described in clauses (A) and (B); and**

(3) **the failure to include with the taxpayer's tax return all or part of the increased amount referred to in subdivision (2)(B) will reduce the designated contribution to the extent that the increased amount is not included with the return.**

(g) **The department shall interpret a designation on a return under subsection (a), (b), or (c) that is illegible or otherwise not reasonably discernible to the department as if the designation had not been made.**

SECTION 2. IC 10-17-1-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]: Sec. 6. (a) The director of veterans' affairs:

(1) is the executive and administrative head of the department of veterans' affairs; and

(2) shall direct and supervise the administrative and technical activities of the department;

subject to the general supervision of the commission.

(b) The duties of the director include the following:

(1) To attend all meetings of the commission and to act as secretary and keep minutes of the commission's proceedings.

(2) To appoint, by and with the consent of the commission, under this chapter and notwithstanding IC 4-15-2, the employees of the department necessary to carry out this chapter and to fix the compensation of the employees. Employees of the department

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must be:

- (A) honorably discharged veterans who have had at least six (6) months service in the armed forces of the United States and who are citizens of the United States and Indiana; or
- (B) spouses, surviving spouses, parents, or children of an individual described in clause (A).

An employee must qualify for the job concerned.

(3) To carry out the program for veterans' affairs as directed by the governor and the commission.

(4) To carry on field direction, inspection, and coordination of county and city service officers as provided in this chapter.

(5) To prepare and conduct service officer training schools with the voluntary aid and assistance of the service staffs of the major veterans' organizations.

(6) To maintain an information bulletin service to county and city service officers for the necessary dissemination of material pertaining to all phases of veterans' rehabilitation and service work.

(7) To perform the duties described in IC 10-17-11 for the Indiana state veterans' cemetery.

(8) To perform the duties described in IC 10-17-12 for the military family relief trust fund.

SECTION 3. IC 10-17-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007]:

Chapter 12. Military Family Relief Trust Fund

Sec. 1. As used in this chapter, "active duty" means full-time service in the:

- (1) armed forces; or
- (2) national guard;

for a period that exceeds thirty (30) consecutive days in a calendar year.

Sec. 2. As used in this chapter, "armed forces" includes the reserve components of the following:

- (1) The United States Army.
- (2) The United States Navy.
- (3) The United States Marine Corps.
- (4) The United States Air Force.
- (5) The United States Coast Guard.

Sec. 3. As used in this chapter, "commission" refers to the veterans' affairs commission established by IC 10-17-1-3.

Sec. 4. As used in this chapter, "department" refers to the

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1 Indiana department of veterans' affairs established by
2 IC 10-17-1-2.

3 Sec. 5. As used in this chapter, "director" refers to the director
4 of veterans' affairs.

5 Sec. 6. As used in this chapter, "fund" refers to the military
6 family relief trust fund established by section 8 of this chapter.

7 Sec. 7. As used in this chapter, "national guard" means:

- 8 (1) the Indiana Army National Guard; or
- 9 (2) the Indiana Air National Guard.

10 Sec. 8. (a) The military family relief trust fund is established to
11 provide assistance with food, housing, utilities, medical services,
12 basic transportation, and other expenses that are difficult to afford
13 for families of Indiana residents who are:

- 14 (1) members of the:
 - 15 (A) armed forces; or
 - 16 (B) national guard; and
- 17 (2) called to active duty after September 11, 2001.

18 (b) The department may expend the money in the fund
19 exclusively to provide grants for assistance as described in
20 subsection (a).

21 (c) The director shall administer the fund.

22 Sec. 9. (a) The fund consists of the following:

- 23 (1) Refunds and contributions designated for the fund under
- 24 IC 6-8.1-9-4.
- 25 (2) Appropriations made by the general assembly.
- 26 (3) Donations to the fund.
- 27 (4) Interest as provided in subsection (c).
- 28 (5) Money transferred to the fund from other funds.
- 29 (6) Money from any other source authorized or appropriated
- 30 for the fund.

31 (b) The expenses of administering the fund and this chapter
32 shall be paid from the fund.

33 (c) The treasurer of state shall invest the money in the fund not
34 currently needed to meet the obligations of the fund in the same
35 manner as other public money may be invested. Interest that
36 accrues from these investments shall be deposited in the fund.

37 (d) An appropriation made by the general assembly to the fund
38 shall be allotted and allocated at the beginning of the fiscal period
39 for which the appropriation was made.

40 (e) Money in the fund at the end of a state fiscal year does not
41 revert to the state general fund or to any other fund.

42 (f) Except as provided by an enactment of the general assembly,

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1 there is annually appropriated to the department all money in the
2 fund for purposes of this chapter.

3 **Sec. 10.** The commission may adopt rules under IC 4-22-2 for
4 the provision of grants under this chapter. The rules adopted under
5 this section must address the following:

- 6 (1) Uniform need determination procedures.
- 7 (2) Eligibility criteria.
- 8 (3) Application procedures.
- 9 (4) Selection procedures.
- 10 (5) Coordination with other assistance programs.
- 11 (6) Other areas in which the department determines that rules
12 are necessary to ensure the uniform administration of the
13 grant program under this chapter.

14 **SECTION 4.** [EFFECTIVE JANUARY 1, 2007] IC 6-8.1-9-4, as
15 amended by this act, applies only to returns for taxable years
16 beginning after December 31, 2006.

17 **SECTION 5.** [EFFECTIVE JANUARY 1, 2007] (a)
18 Notwithstanding IC 10-17-12-10, as added by this act, the director
19 of veterans' affairs shall carry out the duties imposed on:

- 20 (1) the director of veterans' affairs; and
- 21 (2) the Indiana department of veterans' affairs;
- 22 under IC 10-17-12, as added by this act, under interim written
23 guidelines approved by the veterans' affairs commission.
- 24 (b) This SECTION expires on the earlier of the following:
- 25 (1) The date rules are adopted under IC 10-17-12-10, as added
26 by this act.
- 27 (2) June 30, 2007.

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